

United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

April 21, 2010

Via Electronic Transmission

Carolyn Ingrahm
Director
New Mexico Medical Assistance Division
P.O. Box 2348
Santa Fe, NM 87504

Dear Director Ingrahm:

In the United States, the federal and state governments spend roughly \$317 billion every year on the Medicaid program. As Ranking Member of the Senate Committee on Finance, I have an obligation to ensure that taxpayer dollars are appropriately spent on federal health care programs. Like the Medicare program, Medicaid suffers from systemic weaknesses that lead to fraud, waste, and abuse across the program, resulting in higher costs and less health care to those who are in need. The overutilization of prescription drugs, whether through drug abuse or outright fraud, plays a significant role in the rising cost of our healthcare system. The purpose of this letter is to request information regarding certain outliers in New Mexico's Medicaid program and what steps New Mexico takes to monitor rates of utilization.

In recent inquiries, I have asked the U.S. Department of Health and Human Services about physicians prescribing mental health drugs at astonishingly high rates. In addition to these concerns, a recent CNN report detailed the increasing abuse of OxyContin, Roxicodone, and Xanax. Specifically, the report described the role some pain management clinics and physicians play in the black market for these drugs. I write today to better ascertain how high rates of both mental health and pain medication utilization are affecting the Medicaid program, as well as how New Mexico's rates compare to the national rates.

To that end, please provide charts that list of the top ten Medicaid prescribers of the following drugs for the years 2008 and 2009. For each prescriber, please provide his/her prescriber identifier, and the number of prescriptions written per drug per year, and the total amount billed to Medicaid per drug, separated for each year.

- Abilify;
- Geodon;
- Seroquel;
- Zyprexa;

- Risperdal;
- OxyContin;
- Roxicodone; and
- Xanax.

I thank you in advance for your cooperation and request that you provide the requested documents and written responses by no later than May 5, 2010. In your reply, please format information into a chart like the examples provided below. All formal correspondence should be sent electronically in PDF format to Brian_Downey@finance-rep.senate.gov or via facsimile to (202) 228-2131. Of course should you wish to discuss this matter further, please do not hesitate to contact Christopher Armstrong of my Committee staff at (202) 224-4515.

Sincerely,



Charles E. Grassley
Ranking Member

Attachment

Drug X, 2008

Prescriber Identifier	Total prescriptions	Total billed to Medicaid
123456789	25,000	250,000
234567891	24,000	240,000
345678912	23,000	230,000
456789123	22,000	220,000
567891234	21,000	210,000
678912345	20,000	200,000
789123456	19,000	190,000
891234567	18,000	180,000
912345678	17,000	170,000
012345678	16,000	160,000

Drug X, 2009

Prescriber Identifier	Total prescriptions	Total billed to Medicaid
123456789	25,000	250,000
234567891	24,000	240,000
345678912	23,000	230,000
456789123	22,000	220,000
567891234	21,000	210,000
678912345	20,000	200,000
789123456	19,000	190,000
891234567	18,000	180,000
912345678	17,000	170,000
012345678	16,000	160,000



New Mexico Human Services Department

Medical Assistance Division
PO Box 2348
Santa Fe, NM 87504-2348
Phone: (505) 827-3106

Bill Richardson, Governor
Pamela S. Hyde, J.D., Secretary

July 26, 2010

The Honorable Charles E. Grassley
Ranking Member
United States Senate
Committee on Finance
Washington, DC 20510-6200

Dear Senator Grassley:

We have received your request for information on the prescribers of specific narcotic analgesics and behavioral health drug items.

In order to better manage the New Mexico Medicaid program benefits, the New Mexico Human Services Department contracts with six managed care organizations and one behavioral health entity which are responsible for directly administering the Medicaid program benefits for approximately 85% of the Medicaid recipients. The recipients remaining in the Medicaid Fee for Service program are primarily Native Americans and individuals with limited benefits such as those on our federally approved family planning waiver, and the Qualified Medicare Beneficiaries (QMB) who do not have drug program benefits under Medicaid.

The Human Service Department, Medical Assistance Division, provides the program administration and closely monitors the managed care organizations and the behavioral health entity, meeting all federal and state standards to assure the quality and appropriateness of care as well as access to services. Our agency is specifically structured to facilitate that oversight and administration. This is done through the contract provisions, required federal and state reporting mechanisms, onsite reviews, and other studies and analyses.

The information requested by your office does not include contextual information related to the providers, such as the size of the practice, the specialty of the prescriber, or the place or the practice such as within an emergency room or an outpatient psychiatric facility. All these factors, and many others, have a significant bearing on the number of prescriptions written by a prescriber for the items on your list of prescription drug items.

We can assure you that we have looked at our top prescribers; and when considering several factors, all of them have specialties and contexts of practice which justify why they are the top prescribers of these items.

We believe that producing a list that is devoid of the essential information necessary to provide a fair and accurate assessment of the practitioners' prescribing habits cannot lead to meaningful conclusions. Typically, when we provide information to federal and state agencies and auditors, we have the opportunity to discuss the required information, the limitations of the information,

and issues associated with accuracy and interpretation of the data through scheduled entrance and exit conferences and through the review of draft findings and reports to which we can respond.

The request from your office does not allow for any of these standard procedures to be followed. Our experience has shown that this protocol is essential to understanding Medicaid information.

We are attaching the information you requested by prescriber. We hope this information is helpful to you. We would be glad to provide more detailed information in a process that allows for the necessary steps in the standard protocol described above.

We do have a number of system capabilities in place to help control inappropriate utilization of drug items including early refills and excessive quantities. Prior authorization for some of the items is also required. We are able to provide information on the oversight and management of our program if that would assist you.

We appreciate your interest in assuring that Medicaid funds are expended appropriately. We share that interest and through the management of our program try to assure that goal is met.

Should you have any further questions on this information, please feel free to contact me at (505) 827-3106.

Sincerely,



Carolyn Ingram, Director

2008 New Mexico

Top Prescribers of Behavioral Health and Pain Medications

Practice	Prescriptions	Paid Amount
1 Psychiatric Nurse Specialist	1338	\$366,640.96
2 Psychiatrist	1077	\$290,103.54
3 Psychiatrist	970	\$205,999.23
4 Psychiatrist	960	\$252,317.93
5 Neurologist	941	\$120,540.68
6 Psychiatrist	939	\$208,521.12
7 Psychiatric Nurse Specialist	827	\$177,599.88
8 Psychiatric Nurse Specialist	786	\$220,264.33
9 Psychiatrist	785	\$203,551.00
10 Psychiatrist	690	\$151,069.32

2009 New Mexico

Top Prescribers of Behavioral Health and Pain Medications

Practice	Prescriptions	Paid Amount
1 Neurologist	1340	\$160,971.42
2 CNP at neuroscience center	1023	\$311,857.00
3 Psychiatrist	972	\$259,977.31
4 Psychiatric Nurse Specialist	886	\$247,944.90
5 Psychiatric Nurse Specialist	850	\$184,182.70
6 General Surgeon	803	\$47,834.13
7 Pain Management	778	\$127,070.54
8 Emergency Medicine	739	\$41,373.43
9 Emergency Medicine	688	\$130,590.28
10 Psychiatrist	652	\$177,772.47